BREAKER Resources NL

QUARTERLY REPORT March 2013

HIGHLIGHTS

EXPLORATION

- Aircore drilling at the Dexter Gold Project has identified a large new gold system. The coherence and extent of the results support the potential for a significant discovery.
- An expanded RC drill program of 8,500m is expected to commence on 2 May 2013 to test the bedrock structures.
- A significant gold-in-soil anomaly has been identified at the Kurrajong South Project following an auger soil program.
- Multiple gold-in-soil anomalies have been identified at the De La Poer Project.
- Continued trend of positive exploration results on all projects sampled since Breaker's April 2012 ASX listing.

CORPORATE

- Cash balance at the end of the quarter of $3.2 million.

Board of Directors

Tom Sanders
Executive Chairman

Mark Edwards
Non-executive Director

Mike Kitney
Non-executive Director

Senior Management

Alastair Barker
Exploration Manager

Michelle Simson
Manager Corporate Affairs/Company Secretary

Corporate

Issued Securities:
55.1 million ordinary shares
21.3 million listed options
8.1 million unlisted options

Cash: *(31 March 2013)*
$3.2 million

Market Capitalisation:
$19.3 million @ $0.35/share

Contact Details

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ABN: 87 145 011 178

ASX CODE: BRB

INTRODUCTION

Breaker Resources NL (ASX: BRB; "Breaker") is exploring for large new gold systems in the largely unexplored eastern half of the Eastern Goldfields Superterrane ("EGST"), Western Australia.

Breaker's projects target key structural positions on major crustal faults that are known to be instrumental in the formation of many world class gold deposits in the well-explored western part of the EGST. Breaker is the largest tenement holder in the EGST which is responsible for 75% of Australia's gold endowment.

OVERVIEW OF ACTIVITIES

Dexter Gold Project

Breaker's main focus is the Dexter Gold Project where an unusually large gold-in-soil anomaly was identified in a previously unexplored area in the September 2012 quarter. A 23,073m aircore drill program was completed in the March 2013 quarter to scope the gold-in-soil anomaly and facilitate the planning of reverse circulation (RC) drilling.

The aircore drilling returned encouraging results that indicate a large new gold system. The drilling identified multi-kilometre long zones of coherent supergene enrichment within weathered Permian cover rocks (up to 3m at 7.5g/t gold; refer ASX announcement of 29 April 2013) that overlie and partially define a series of bedrock faults within strongly altered syenite rocks assaying up 0.9g/t gold (fresh bedrock penetration <1m) from which the supergene gold appears to be sourced.

The size of the gold system and the coherence of the soil and drill results on a wide sample spacing reinforce the potential for a new greenfields gold discovery of significance. The geochemical signature and alteration style are similar to that at the Young-Davidson gold deposit in Canada (pre-mining resource of 4.4Moz gold) and whilst RC drilling is required to confirm the gold potential, the syenite-gold footprint at Dexter is considerably larger.

On the basis of the positive aircore results, the planned RC drilling program has been increased to 8,500m and will focus on at least 12 separate high-calibre targets at the Tallows and Three Bears Prospects. Drilling is expected to start on 2 May 2013 and assay results are anticipated in early July 2013.

Other Projects

A coherent 12km-long gold-in-soil anomaly was identified in sand dune country at the previously undrilled **Kurrajong South Project**. The soil anomaly is potentially significant as it is coincident with the apex of a domal granite intrusion located adjacent to a major fault and is associated with elevated mercury, silver, molybdenum and copper (peak value of 24ppb gold; 1,574 ppb silver).

Multiple gold-in-soil anomalies were also identified at the **De La Poer Project** and are described below. It is noteworthy that Breaker has obtained positive gold-in-soil results on all projects sampled since listing on the ASX in April 2012.

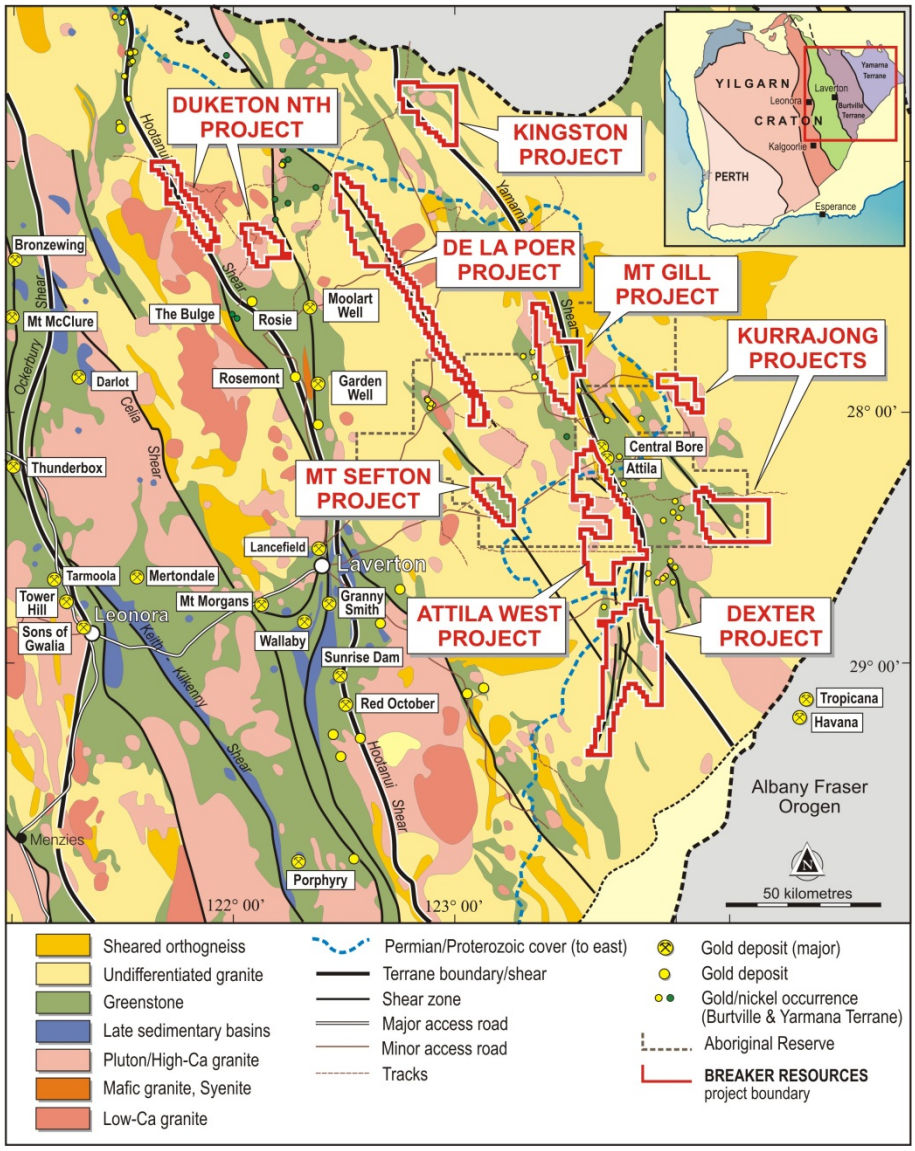


Figure 1: Breaker Resources' Project Location Map

EXPLORATION AND EVALUATION

Dexter Project March 2013 Quarter Exploration Activities (100% Breaker)

The 1,103km^2 Dexter Gold Project ("Dexter"; Figure 1) is located 140km south-southeast of Laverton in the southern part of the Burtville and Yamarna Terranes, 80km northwest of the Tropicana gold deposit.

The Project is dominated by extensive thin aeolian sand which overlies weathered Permian sediment and Archean basement rocks. The northern part of Dexter straddles a broad zone of dilation near the intersection of the Yamarna and Dexter Shears, close to a prominent bend in the Yamarna Shear. Prior to Breaker's activities, the Project was essentially unexplored.

Wide-spaced aircore drilling commenced in November 2012 with the objective of scoping a 16km-long gold-in-soil anomaly in the northern part of the Project to facilitate RC drill targeting. The 23,073m aircore program was completed in March 2013 and comprised 8,626m at the Three Bears Prospect (BAC0001 to BAC0236) and 14,447m at the Tallows Prospect (BAC0237 to BAC0492). The drilling encountered Permian cover ranging from 25m to 75m with approximately 65% to 70% of the drill holes reaching definitive bedrock.

Three Bears Prospect

Auger soil sampling at the Three Bears Prospect outlined three separate gold-in-soil anomalies up to 3km long near a prominent bend in the Dexter Shear Zone. Peak soil values were 0.3g/t gold (298ppb) and 17.4g/t silver (17,415ppb silver) in association with anomalous tellurium, selenium and mercury. Extremely elevated silver-in-soil values extend over a 2km x 0.4km area (average value of 6,792ppb silver) in the southern part of the gold-in-soil anomaly. Permian cover in this area is approximately 45m deep.

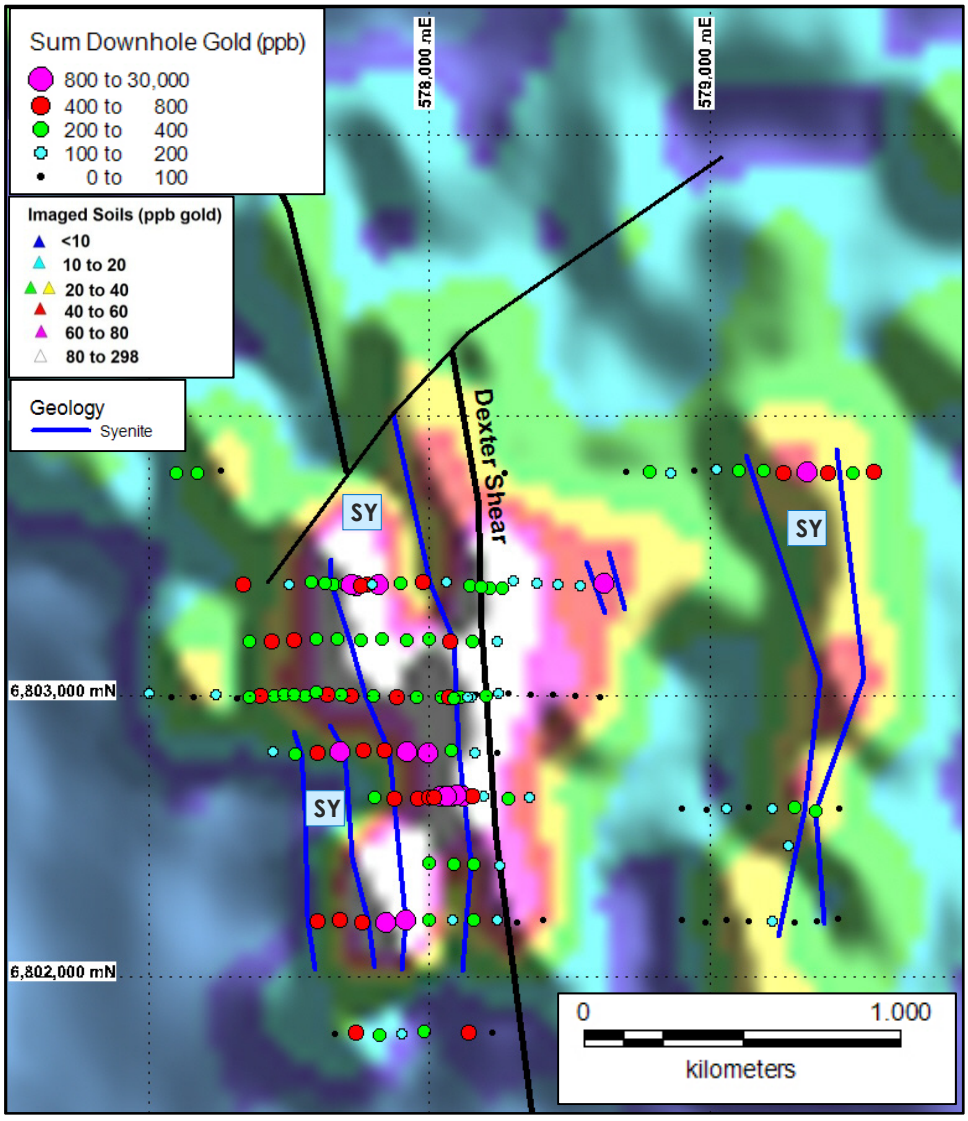


Figure 2: Three Bears Prospect Auger Drill Hole Plan with Scaled Sum Downhole Gold (ppb) over Imaged Gold-in-Soil (400m x 100m)

Aircore drilling at the Three Bears Prospect was undertaken on a 400m x 80m vertical pattern to blade refusal. The drill spacing was subsequently closed to 40m or 20m over selected soil anomaly peaks on the same drill lines. Infill drill lines on a 200m line spacing and 80m drill hole spacing were undertaken in selected areas to minimise ambiguity in the geological interpretation.

Despite limited penetration of fresh Archean bedrock (<1m), the aircore drilling identified strongly altered syenite porphyry assaying up to 0.9g/t gold from bottom-of-hole samples with enough frequency to map out three syenite units that correspond to the soil anomalies. The aircore drilling also identified areas with enhanced secondary gold enrichment in the weathered Permian cover rocks that have a spatial association with the syenite, particularly near its contacts. A map summarising the distribution of syenite and secondary gold enrichment (approximated as sum downhole gold) is provided in Figure 2.

Tallows Prospect

The Tallows Prospect consists of a series of +40ppb gold-in-soil anomalies extending over a 14km strike length in the footwall and hanging wall of the Yamarna Shear (peak soil value of 130ppb gold). Due to the large area involved, initial aircore drilling at the Tallows Prospect was undertaken using 80m-spaced vertical drill holes drilled to blade refusal on a line spacing of 800m or 1,200m. The drill line spacing was then closed to 400m on an 80m drill hole spacing over selected gold-in-soil anomalies.

Aircore drilling at the Tallows Prospect identified coherent multi-kilometre long zones of secondary enrichment in weathered Permian cover rocks with peak grades of 3m at 7.5g/t gold. A map summarising the location and tenor of the aircore drill results is shown in Figure 3. Additional details are provided in the Company's ASX announcement of 28 March 2013.

The elevated zones of secondary enrichment overlie and partially outline a number of inferred strike-parallel structures in variably altered syenite from which the gold appears to emanate. Bottom-of-hole assay results in fresh Archean bedrock (drill penetration <1m) in the vicinity of these structures are anomalous in gold, silver and several other gold pathfinder elements as observed at the Three Bears Prospect.

Altered and mineralised syenite (0.4g/t gold) was also encountered in a single drill traverse at an as-yet-unnamed prospect located 1.5km east of the Tallows Prospect.

RC Drilling Program

An 8,500m RC drilling program is expected to commence on 2 May 2013 and will focus on at least 12 separate bedrock targets at the Tallows and Three Bears Prospects. The cost of the RC drilling will be offset by a grant of $150,000 awarded to Breaker in 2012 for co-funding of drilling in areas of deeper cover under the WA Government's Exploration Incentive Scheme. Breaker will match the $150,000 funding grant on a dollar-for-dollar basis on direct drilling costs.

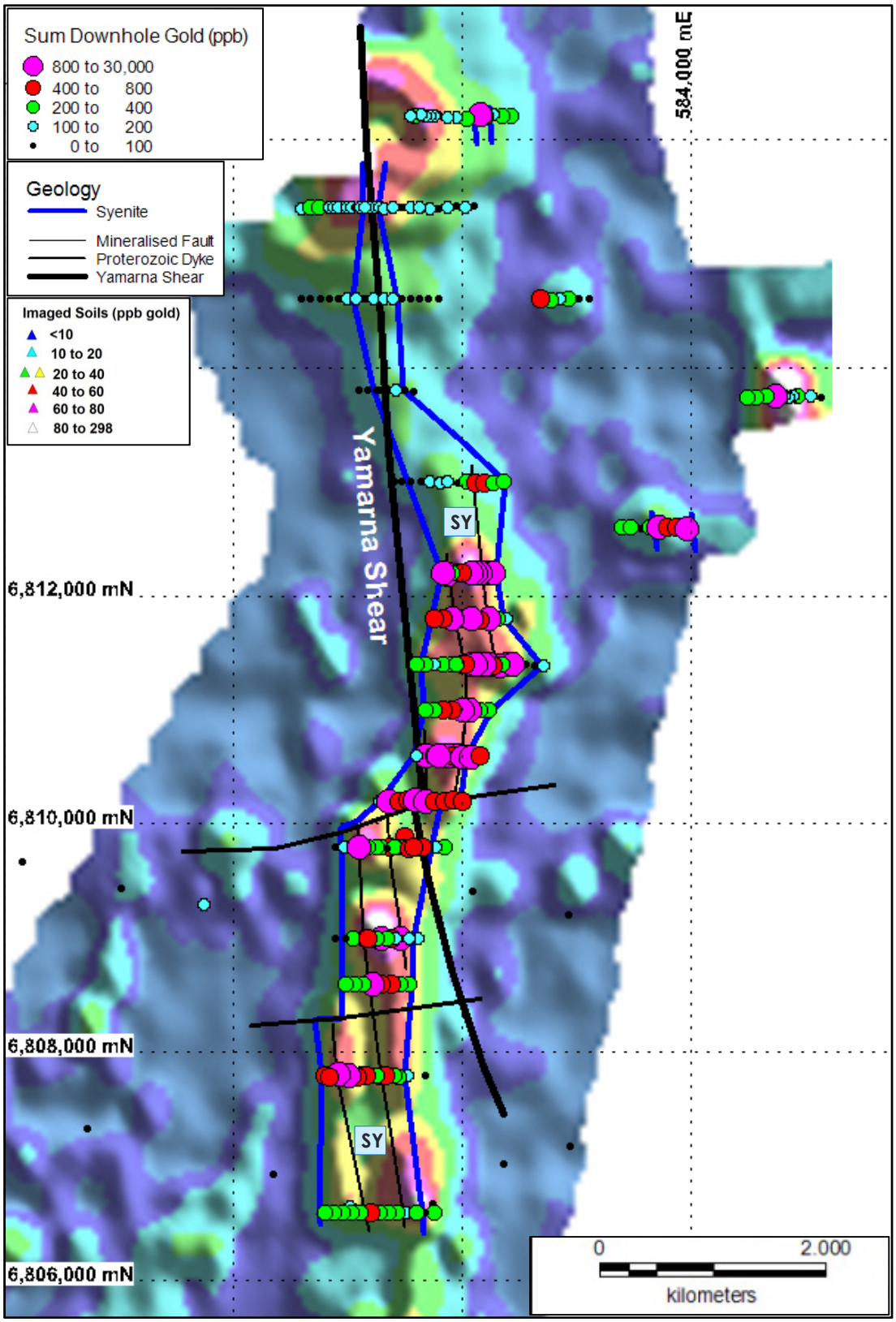


Figure 3: Tallows Prospect Aircore Drill Hole Plan with Scaled Sum Downhole Gold (ppb) over Imaged Gold-in-Soil (400m x 100m)

Mt Gill Project March 2013 Quarter Exploration Activities (100% Breaker)

The 518km^2 Mt Gill Project is located 135km northeast of Laverton and comprises two exploration licences situated 12km along strike from the Khan North gold deposit and 30km along strike from the Attila-Alaric-Central Bore gold deposits.

Infill soil sampling and aircore drilling programs are planned to assess multi-kilometre gold-in-soil anomalies identified in 2012 following heritage clearance scheduled for May 2013.

Attila West Project March 2013 Quarter Exploration Activities (100% Breaker)

The 919km^2 Attila West Project is located 130km east-northeast of Laverton and comprises three tenements situated 2km west of the Attila gold deposit, and 6km west of the Central Bore gold deposit (Figure 1). Attila West is dominated by a large domal granite intrusion in the footwall of the Yamarna Shear and includes 50km of the western and central structural zones of the Yamarna Shear Zone, and 3.5km of the Yamarna Shear. Historical exploration is very limited and the vast majority of the Project is unexplored.

A reconnaissance multi-element auger geochemical drilling program on a 1,600m x 400m pattern (total of 1,375 samples) was completed during the quarter. Final assay results have recently been received and are currently under analysis.

Kurrajong South Project March 2013 Quarter Exploration Activities (100% Breaker)

The 570km^2 Kurrajong South Project is located in the Yamarna Terrane, 175km east of Laverton. The Kurrajong South Project area is dominated by wind-blown sand dunes in an area of Permian cover. There is no historical drilling in the area.

A significant gold-in-soil anomaly has been identified in the north-western part of the Kurrajong South Project (Figure 4) following an 85km^2 reconnaissance auger soil sampling program (1,600m x 400m sample spacing) that targeted the intersection of a domal granite intrusion and a major fault in the southern part of the Dorothy Hills greenstone belt. The gold-in-soil anomaly extends over a 12km distance and is up to 2km in width with peak values of 24ppb gold and 1,574ppb silver. Anomalous gold-in-soil values are associated with several common gold pathfinder elements including mercury, silver, molybdenum and copper.

A selective infill auger soil sampling program on a 400m x 100m pattern has been planned to enable drill targeting. Aircore drilling is scheduled to commence in the September 2013 quarter following heritage clearance.

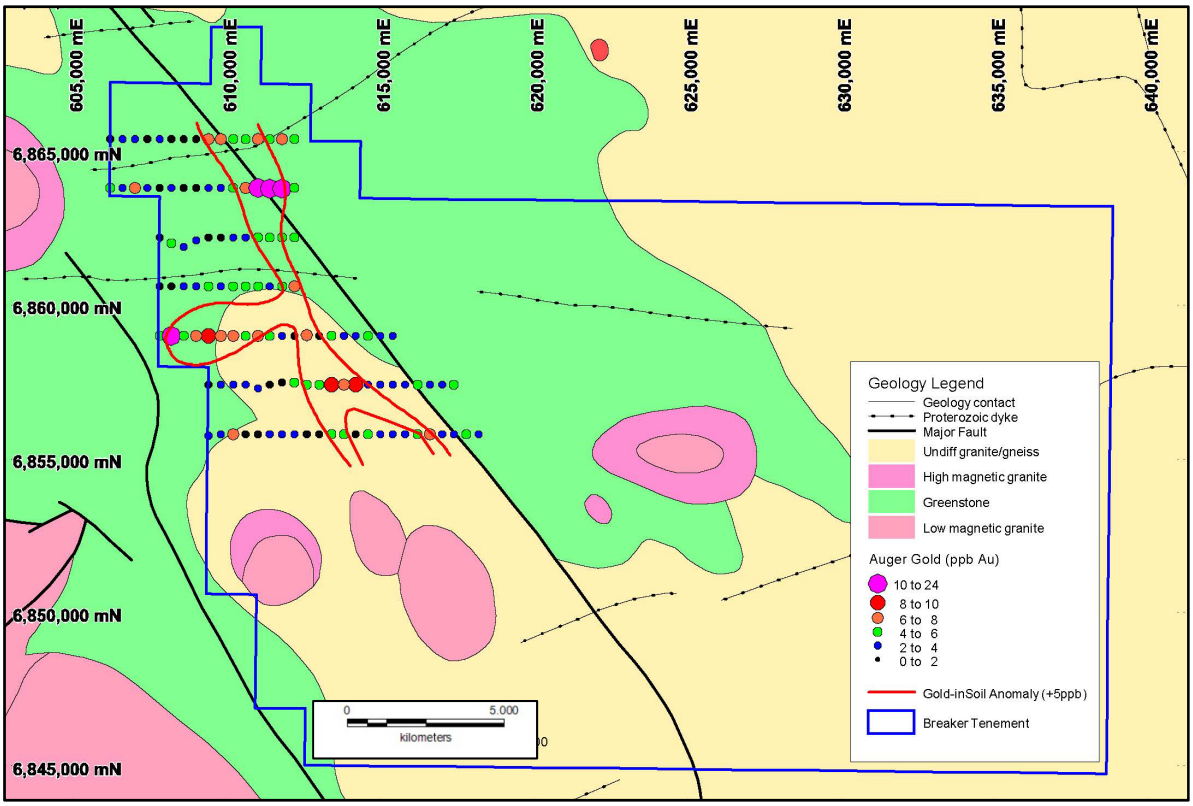


Figure 4: Kurrajong South Project - Gold-in-Soil Values over Interpreted Geology (aeromagnetic interpretation by Geoscience Australia 2001)

Duketon North Project March 2013 Quarter Exploration Activities (100% Breaker)

The 527km^2 Duketon North Project (Figure 5) is located 160km north-northwest of Laverton and 50km north of the 10Moz Moolart Well/Garden Well/Rosemont gold camp. The Duketon North Project targets gold along a 42km strike length of the Hootanui Shear, a major fault zone that separates the Kurnalpi and Burtville Terranes. No systematic historical geochemistry has previously been completed. Outcrop is limited and sand cover is thin (<2m).

No field work was conducted at the Duketon North Project during the March 2013 quarter. Selective infill multi-element auger geochemical sampling on a 400m x 100m pattern is planned in the June 2013 quarter to evaluate 17 gold-in-soil anomalies identified in the December 2012 quarter.

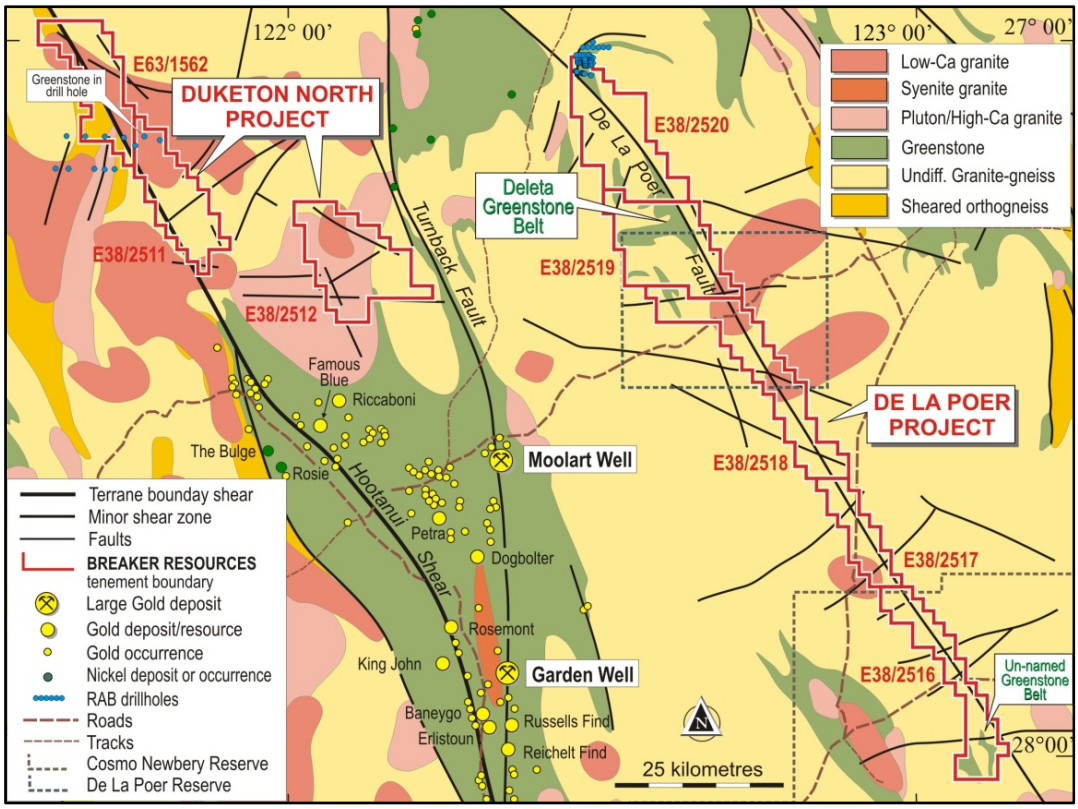


Figure 5: Duketon North & De La Poer Projects - Interpreted Geology

De La Poer Project March 2013 Quarter Exploration Activities (100% Breaker)

The 870km^2 De La Poer Project is located in the Burtville Terrane, 130km northeast of Laverton and 40km northeast of the Moolart Well gold mine (Figure 5). The Project is largely unexplored and targets gold along a 120km strike length of the De La Poer Fault and the Deleta greenstone belt which was only identified in 1999.

Multi-element auger soil geochemical sampling on a 1,600m x 400m pattern was undertaken during the quarter. The program identified seven gold-in-soil anomalies of potential interest based on tenor, coherence and location with respect to structural features. Further evaluation is underway and may lead to selective infill auger sampling (400m x 100m spacing) late in the June 2013 quarter.

Mt Sefton Project March 2013 Quarter Exploration Activities (100% Breaker)

The 211km^2 Mt Sefton Project is located 80km east-northeast of Laverton and 50km along strike from historic gold mineralisation at Cosmo Newbery. The Mt Sefton Project targets gold mineralisation in a small, previously undrilled greenstone belt situated within a large zone of deformation termed the Sefton Lineament. Anomalous historical gold-in-soil results identified in a mid-1990s soil geochemical program were not drilled at that time due to the lack of a native title access agreement.

Multi-element auger geochemical sampling (1,600m x 400m pattern) is planned in the June 2013 quarter.

Kingston Project March 2013 Quarter Exploration Activities (100% Breaker)

The 455km^2 Kingston Project is located in the Yamarna Terrane, 200km north-northeast of Laverton and 150km north-northwest of the Attila and Central Bore gold deposits. The Project is prospective for gold and nickel mineralisation. The Kingston Project targets a previously undrilled 35km-long Archean greenstone belt located close to a prominent bend in the Yamarna Shear near the northern margin of the Yilgarn Craton. Significant thicknesses of cover rocks are present however a government geochemical survey encountered anomalous arsenic, antimony, bismuth, molybdenum, tin, tungsten and selenium indicating potential for gold mineralisation.

Selective multi-element auger geochemical sampling (1,600m x 400m pattern) is planned in the June 2013 quarter.

CORPORATE

Breaker's cash balance at the end of the March 2013 quarter was $3.2 million.

Subsequent to the quarters' end, on 15 April 2013 the Company's registered office and principal place of business were relocated to 12 Walker Avenue, West Perth WA 6005 and a new postal address of PO Box 244, West Perth WA 6872 was established. All other contact details remain unchanged.

For further information on Breaker Resources NL please visit the Company's website at www.breakerresources.com.au, or contact:

Tom Sanders
Executive Chairman
Tel: +61 8 9226 3666
Email: breaker@breakerresources.com.au

COMPETENT PERSONS STATEMENT

The information contained in this report that relates to exploration results and geological information is based on information compiled by Mr Tom Sanders and Mr Alastair Barker, officers of Breaker Resources NL and whose services have been engaged by Breaker on an 80% of full time basis. Mr Sanders and Mr Barker are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which they are undertaking to qualify as Competent Persons as defined in the December 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Sanders and Mr Barker consent to the inclusion in this report of the information based on their work in the form and context in which it appears.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Breaker Resources NL

ABN	Quarter ended ("current quarter")
87 145 011 178	31 March 2013

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (9 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(1,141)	(3,361)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(142)	(388)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	50	122
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(1,233)	(3,627)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	(20)	(185)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(20)	(185)
1.13	Total operating and investing cash flows (carried forward)	(1,253)	(3,812)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,253)	(3,812)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	30
1.17	Repayment of borrowings	(3)	(6)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(3)	24
	Net increase (decrease) in cash held	(1,256)	(3,788)
1.20	Cash at beginning of quarter/year to date	4,450	6,982
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	3,194	3,194

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	90
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes aggregate amounts paid to directors including salary, directors' fees, consulting fees and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	1,500
4.2	Development	-
4.3	Production	-
4.4	Administration	150
	Total	**1,650**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	175	450
5.2	Deposits at call	3,019	4,000
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	3,194	4,450

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

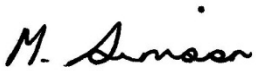
		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities***(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	55,100,004	45,300,004		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**+Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	21,250,000 3,000,000 3,000,000 2,200,000	21,250,000 - - -	*Exercise price* 25 cents 25 cents 30 cents 50 cents	*Expiry date* 31 December 2014 30 June 2016 30 June 2016 31 December 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired/cancelled during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 30 April 2013

(Company secretary)

Print name: **Michelle Simson**

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resource* sand *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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